

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re

HOME SEWING ASSOCIATION,
Debtor.

Chapter 7

Case No. 08-10021 (PCB)

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**ORDER AUTHORIZING THE TRUSTEE
TO RETAIN THE RECEIVABLE MANAGEMENT
SERVICES CORPORATION AS RECOVERY AGENT TO THE ESTATE**

Upon the Application (the “Application”) of Roy Babitt, Chapter 7 Trustee (“Trustee”), of the estate of Home Sewing Association (the “Debtor”), seeking authority to retain The Receivable Management Services Corporation (“RMS”) as the Trustee’s recovery agent in connection with his administration of the Debtor’s estate; and upon the Affidavit of Steven D. Sass, Esq. in support thereof; and upon the Supplemental Application of the Trustee to retain RMS as the Trustee’s recovery agent (the “Supplemental Application”, together with the Application, the “Applications”); and no adverse interest having been shown to the Supplemental Application; and it appearing that RMS and each of its professionals is a disinterested person as that term is defined in the Bankruptcy Code, and neither holds nor represents any interest adverse to the Trustee or the Debtor’s estate; and it appearing that the employment and retention of RMS is necessary and in the best interest of the estate and the economical administration thereof; and that no other or further notice of the Applications is warranted or required; it is

ORDERED, that the Trustee is authorized to retain and employ RMS to act as recovery agent to the estate in connection with this case, and to perform such services as are necessary and appropriate in relation to its retention as recovery agent; and it is further

ORDERED, that the requirement of Federal Rule of Bankruptcy Procedures 9019 of Bankruptcy Procedures 9019, requiring Court approval of each settlement, is modified to provide that:

- For avoidable transfers in an amount of \$100,000 or less, the Trustee shall file a Notice of Settlement advising the Court that a settlement has been reached and outlining the general terms of the settlement; and
- For avoidable transfers exceeding \$100,000, the Trustee shall seek approval of the settlement upon Notice of Presentment.

ORDERED, that RMS shall retain 25% of the proceeds of any recoveries of avoidable transfers, as well as reasonable expenses incurred in the recovery thereof, without further order of this Court; provided, however, that RMS shall provide the Trustee with an accounting of its fees and expenses for each such recovery and each Notice of Settlement and Notice of Presentment will contain a statement of the fees and expenses paid to RMS for its recovery efforts from each settlement.

Dated: New York, New York
September 14, 2009

/s/ Prudence Carter Beatty

UNITED STATES BANKRUPTCY JUDGE